Problems of powerloom owners in Maharashtra

403. SHRI SATISH PRADHAN: Will the Minister of TEXTILES be pleased to state:

(a) whether government are aware that powerloom owners in Maharashtra are facing problems and seeking Central Government's help;

(b) if so, whether government have assured them in this regard and what effective steps have been taken for the benefit of powerloom sector in Maharashtra; and

(c) if so the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL): (a) to (c) The major problems facing the decentralised powerloom units of the country including those in Maharashtra include:—

(i) Technological obsolescence

(ii) Small size of units with fragmentation

(iii) High power tariffs with uncertain power supply

(iv) Lack of credit availability

(v) Poor marketability

(vi) Low skill level and poor quality consciousness.

2. Government has taken several initiatives to mitigate their hardships and facilitate growth of the decentralized powerloom industry, including those in Maharashtra, to become competitive and face the global challenge. These include:

(i) A programme for induction of 50,000 shuttleless and for 2.50 lakh semi automatic and automatic looms in the decentralised powerloom sector has been announced. Incentives have been made available under the Technology Upgradation Fund Scheme (TUFS) whereby the powerloom owner can reduce the cost of borrowing capital either by availing 12% upfront Capital Linked Subsidy or by obtaining 5% interest reimbursement of the loan availed.

(ii) Import duty on shuttleless looms has been reduced and excise duty exemption has been given to indigenous automatic looms. Accelerated depreciation benefits at the rate of 50% have been extended on the weaving machinery installed under TUFS.

(iii) Powerloom Service Centres (PSCs), established to provide various services, such as skill upgradation and testing facilities to powerloom weavers have been upgraded with modern looms; other machinery and equipment to improve the quality of services and facilitation for modernisation.

(iv) Computer Aided Design Centres in Powerloom Service Centers have been established to provide value addition through design inputs into powerloom production.

(v) Powerloom Export Entitlement (PEE) quota has been provided to encourage powerloom exports.

(vi) Under the 'Powerloom package[1] announce in Union Budget 2003-04, a Group Insurance Scheme is being implemented to provide cover to the powerloom workers against unforeseen death, accident and disability; and a 'Group Workshed Scheme' has been approved to create a better working environment and obtain higher productivity.

NTC Mills

†404. SHRIMATI KUM KUM RAI: Will the Minister of TEXTILES be pleased to state:

(a) the number of NTC mills in functional condition in the country;

(b) whether all the mills are running in profit;

(c) if so, the details thereof;

(d) if not, the reasons therefor; and

(e) the steps taken by Government to equip these mills with modern technology?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI BASANAGOUDA R. PATIL): (a) Out of 119 mills of NTC, 72 mills are in functioning at present.

(b) to (d) None of these mills are running in profit. These losses are mainly on account of shortage of working captial, high cost of production, excess manpower etc.

(e) Modernisation of 53 viable mills is proposed in the rehabilitation schemes approved by BIFR, with the resources generated through sale of surplus land and assets. The sale of surplus assets is currently underway.

†Original notice of the question was received in Hindi.